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STATE DOCUMENTS

JUL 12 1971

ANNUAL REPORT
OF THE
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
THE SOCIAL SECURITY DIVISION
MONTANA JUDGES' RETIREMENT SYSTEM
MONTANA GAME WARDENS' RETIREMENT SYSTEM
VOLUNTEER FIREMAN PENSION



PLEASE RETURN

TO THE
GOVERNOR OF MONTANA
HONORABLE FORREST H. ANDERSON

MONTANA
JUL 12 1971
HELENE

FOR THE
FISCAL YEAR ENDED
JUNE 30, 1970

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BOARD OF ADMINISTRATION
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STATE OF MONTANA
FORREST H. ANDERSON, GOVERNOR



ADMINISTRATIVE STAFF
JOHN F. SASEK, SECRETARY OF BOARD
MARIE O. KLEMME, BENEFITS AND CLAIMS
LAWRENCE P. NACHTSHEIM, ADMIN. ASST.
MICHAEL J. HUGHES, ATTORNEY

PUBLIC EMPLOYEES' RETIREMENT SYSTEM
1712 NINTH AVENUE
TELEPHONE: AREA CODE 406/449-3154
HELENA, MONTANA 59601

The Honorable Forrest H. Anderson
Governor
State of Montana
Helena, Montana 59601

Dear Governor Anderson:

In accordance with the requirements of Sections 68-501 (c), 68-1404, 93-1109 and 11-2023, RCM, 1947, we herewith submit to you the report covering the fiscal year ended June 30, 1970 of the five (5) agencies administered by the Board of Administration, Public Employees' Retirement System:

- (1.) Public Employees' Retirement System
- (2.) Social Security Division
- (3.) Montana State Game Wardens' Retirement System
- (4.) Montana Judges' Retirement System
- (5.) Volunteer Firemen Pension

The reports for these systems have been consolidated for this report in accordance with the guidelines established by the State Controller in order to show the complete administrative responsibilities of this agency under a single report. Portions of this report will be separated and disseminated to each respective agency relating to its particular functions, management and account.

We appreciate the opportunity and privilege of providing a measure of reward and recognition to the faithful and deserving public employees of the State of Montana and its contracting political subdivisions while contributing to the improvement of the personnel standards for efficient, courteous and stable public service in Montana.

Respectfully submitted,

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Handwritten signature of John F. Sasek.
John F. Sasek, Secretary

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PRINCIPAL OFFICES AND OFFICERS

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

OFFICER

TERM OF OFFICE

HOME ADDRESS

BOARD OF ADMINISTRATION

Ted Schwinden, President
1969-1974

1335 Highland
Helena, Montana

Fred L. Hill, Vice President
1967-1972

1100 5th Ave. N.
Great Falls, Montana

Judge Jack D. Shanstrom
1966-1971

6 Loch Leven Dr.
Livingston, Montana

John L. Prebil
1970-1975

805 5th Avenue
Helena, Montana

Hubert G. White
1968-1973

129 S. Pine
Townsend, Montana

PRINCIPAL ADMINISTRATIVE OFFICERS

John F. Sasek, Secretary of Board
Michael J. Hughes, Attorney
Lawrence P. Nachtsheim, Administrative Assistant
Marie O. Klemme, Benefits Section Chief
Owen L. Morris, Jr., Chief, Social Security Division
Milliman & Robertson, Consulting Actuaries, Seattle, Wash.

PRINCIPAL OFFICE

1712 Ninth Avenue, Helena, Montana 59601

LEGAL REFERENCES

GENERALLY

The Board of Administration of the Public Employees' Retirement System is responsible for the administration of the Public Employees' Retirement System, the Game Wardens' Retirement System, the Judges' Retirement System, and the Social Security Division which provides coverage for certain officers and employees of the State of Montana and its political subdivisions.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

The Public Employees' Retirement Act is compiled in Title 68, Chapters 1 through 13, Revised Codes of Montana, 1947.

GAME WARDENS' RETIREMENT SYSTEM

The Game Wardens' Retirement Act is compiled in Title 68, Chapter 14, Revised Codes of Montana, 1947.

JUDGES' RETIREMENT SYSTEM

The Judges' Retirement System Act is compiled in Title 93, Chapter 11, Revised Codes of Montana, 1947.

SOCIAL SECURITY

The act providing coverage of officers and employees under the Federal Social Security Act is compiled in Title 59, Chapter 11, Revised Codes of Montana, 1947.

VOLUNTEER FIREMEN PENSION

The Volunteer Fireman's Compensation Act is compiled in Title 11, Chapter 20, Revised Codes of Montana, 1947.

PRINCIPAL GOALS

The Public Employees' Retirement System, the Game Wardens' Retirement System, the Judges' Retirement System, exist: (a) to effect economy and efficiency in public service through retirement of superannuated or disabled employees; (b) to provide some measure of security to the beneficiaries of public employees; and (c) to contribute such benefits as will in some measure reward the deserving public employees for appreciated service to the State of Montana and its member political subdivisions.

To this end the Board of Administration and the administrative staff has developed a progressive investment program to insure the availability of future benefits and has distributed annual statements with pertinent benefit information to members in order to keep them informed of changes in retirement benefits.

PRINCIPAL GOALS

The Social Security Division exists to provide, to employees of the state and its political subdivisions, and to the dependents and survivors of such employees, the basic protection accorded to others by the old-age and survivors' insurance system embodied in the Social Security Act, through an agreement between the State of Montana and the Department of Health, Education and Welfare. This agreement, which was entered into on December 7, 1953 is referred to as the Federal-State Agreement.

The State of Montana, under the terms of the Federal-State Agreement, has agreed to comply with the regulations prescribed by the Secretary of Health, Education and Welfare to carry out the provisions of Section 218 of the Social Security Act. The Social Security Division of the Public Employees' Retirement System as the designated State Agency for Social Security is responsible for compliance with the terms of the Federal-State Agreement and established regulations.

<u>PROGRAM</u>	<u>COST</u> <u>1969-70 F. Y.</u>
Public Employees' Retirement System	
Refund of Contributions	\$2,183,943
Benefit Payments	<u>3,729,814</u>
TOTAL	\$ 5,913,757
Game Wardens' Retirement System	
Benefit Payments	24,998
Judges' Retirement System	
Refund of Contributions	\$ 1,495
Benefits Paid	<u>53,272</u>
TOTAL	54,767
Social Security Division, P. E. R. S.	
Payments to Health, Education & Welfare	18,040,613
Administration	
P. E. R. S.	\$ 142,379
J. R. S.	1,100
Social Security Division	<u>46,662</u>
TOTAL	190,141
	24,224,276

MAJOR ACCOMPLISHMENTS

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Achievements. Effective July 1, 1969 the Public Employees' Retirement Act was amended to allow all members full retirement at age 60 and allow the legislators to choose a retirement plan which would give them salary credit on an annualized basis. These amendments were in keeping with the national trend of lowering the retirement age as well as giving the legislature an equitable retirement plan for their state service.

Membership in the P. E. R. S. increased from 19,590 to 20,977. A percentage increase of 7.08%.

The number of benefit payments increased 588 from 6,350 at June 30, 1969 to 6,938 at June 30, 1970.

The earned income increased \$496,734.61 exclusive of the \$130,000.00 transferred from the Social Security Division under Section 59-1105, RCM, 1947.

The assets increased 12.61% from \$55,319,249 at June 30, 1969 to \$62,294,188.

The yield on assets increased from 5.18% for the fiscal year ended June 30, 1969 to 5.67% for the fiscal year ended June 30, 1970.

The number of employees of the P. E. R. S. has increased from 11.5 to 12.0 in 1970.

The administrative staff has remained constant since 1965 despite the addition of separate state retirement systems; the Game Wardens' Retirement System, July 1, 1963 and the Montana Judges' Retirement System, July 1, 1967.

In addition the P. E. R. S. administers the Volunteer Firemens' Retirement Pension Fund for volunteer firemen in unincorporated cities and towns.

The additional yield received by the retirement system from the investment of the retirement funds including the additional 1/2% employer contributions has contributed appreciably towards the reduction of the unfunded liability which is primarily the employers' liability.

P. E. R. S. acquired the physical facilities that will meet the demands of the administrative staff for the next ten years. P. E. R. S. has also leased a portion of its plant until such time as the space would be needed for expansion of the P. E. R. S. facilities.

MAJOR ACCOMPLISHMENTS

SOCIAL SECURITY DIVISION

Achievements: During the 1969-70 fiscal year, interest received from short term investment of the social security contributions increased \$92,480.96 over the previous fiscal year from \$154,301.13 to \$246,782.09.

Section 59-1105, RCM, 1947 was amended by the 1969 Legislature to provide that excess interest income could be used to pay any administrative costs of the Public Employees' Retirement System. Accordingly in July, 1969 \$130,000.00 was transferred to P. E. R. S. It is anticipated that interest income generated through short term investment of the social security contributions will be sufficient to pay all operating costs of all programs of the Public Employees' Retirement System.

MAJOR ACCOMPLISHMENTS

MONTANA JUDGES' RETIREMENT SYSTEM

Achievements: Membership in the Judges' Retirement System increased from 29 active members at June 30, 1969 to 31 active members at June 30, 1970.

At June 30, 1970 there were five retired members and two survivorship beneficiaries, a slight increase over the year ended June 30, 1969 when there were five retired members and one survivorship beneficiary.

The assets increased 32.6% from \$408,072.34 at June 30, 1969 to \$541,008.88 at June 30, 1970.

The yield on assets increased from 4.95% for the fiscal year ended June 30, 1969 to 7.12% for the fiscal year ended June 30, 1970.

MAJOR RECOMMENDATIONS

MONTANA JUDGES' RETIREMENT SYSTEM

All recommendations for this system are included in the portion of the report concerning P. E. R. S. which is the agency responsible for the administration of the Montana Judges' Retirement System.

MAJOR ACCOMPLISHMENTS

MONTANA GAME WARDENS' RETIREMENT SYSTEM

Achievements: Membership in the Montana Game Wardens' Retirement System increased from 81 active members at June 30, 1969 to 89 at June 30, 1970.

There was no change in the benefit payments in this fiscal year. At June 30, 1970 there were 4 retired members, 1 member receiving an industrial disability allowance and 1 survivorship beneficiary.

The assets increased 17% from \$625,927.87 at June 30, 1969 to \$732,511.86 at June 30, 1970.

The yield on assets increased from 4.54% for the fiscal year ended June 30, 1969 to 5.60% for the fiscal year ended June 30, 1970.

MAJOR RECOMMENDATIONS

MONTANA GAME WARDENS' RETIREMENT SYSTEM

All recommendations for this system are included in the portion of the report concerning P. E. R. S. which is the agency responsible for the administration of the Montana Game Wardens' Retirement System.

MAJOR ACCOMPLISHMENTS

VOLUNTEER FIREMEN'S PENSION

Achievements. The Volunteer Firemen's Compensation Fund has experienced an appreciable increase in growth due to increased earnings on the investment of its cash and receipts during the past two (2) years having increased from \$592,594.67 as of June 30, 1968 to \$723,728.65 as of June 30, 1970 thus accelerating the earlier achievement of the \$1,000,000.00 minimum fund after which retirement benefits will be made available to qualified volunteer firemen of unincorporated cities and towns in Montana. At the present rate of growth the fund should attain approximately \$793,000.00 by June 30, 1971.

MAJOR RECOMMENDATIONS

(1) PUBLIC EMPLOYEES' RETIREMENT SYSTEM

REQUIRED IMPLEMENTATION ACTION: LEGISLATURE

PRIORITY RATING 2

CATEGORY: INCREASING EXISTING SERVICES

Recommendation: An additional \$12,000 should be appropriated to hire one additional staff member, equip the staff member and allow an expansion in the computer time expense.

Discussion: At present the Public Employees' Retirement System has two manual posting machines with a capacity of approximately 10,000 postings per month. As the capacity limitation was reached this past year it became necessary to hire part-time operators to work nights to maintain current records. Since the state payroll is already computerized the central payroll became an ideal place to plot this computer program. The additional staff member is needed to assume some of the duties performed by the senior staff members in order that the seniors will be able to oversee the computer changes. Tentative plans for future years would be to add the University System to the pilot program utilizing the automatic equipment available at the individual University units. Eventually the PERS would be in a position to put all individual records on an automatic system.

(2) REQUIRED IMPLEMENTATION ACTION: CONTROLLER, DEPT. OF ADMIN.

PRIORITY RATING 4

CATEGORY: IMPROVING COORDINATION WITH OTHER AGENCIES

Recommendation: Revision to be made in the controller accounting program in the area of grants and benefits to allow separate and complete accounting of investments.

Discussion: At the present time all the checks written from the agency accounts by the P. E. R. S. and related agencies are charged on the controller balances as grants and benefits.

In this account are lumped all benefit payments, all investments (long and short term), investment expenses and accrued interest. The investments are purchased with premiums and discounts plus accrued interest. When the treasurer receives the advice of investments the amount of the payments are reduced by the face value of the investments disregarding premiums, discounts and accrued interest. Within several months this account as it pertains to the retirement system becomes completely irreconcilable and of no value to anyone.

(3) REQUIRED IMPLEMENTATION ACTION: GOVERNOR OR CONTROLLER
DIRECTIVE

PRIORITY RATING 4

CATEGORY: IMPROVING COORDINATION WITH OTHER AGENCIES

Recommendation: Any proposed legislation relating to the increase in benefits to members be accompanied by actuarial data and when possible a copy be given to the PERS in order that this data can be verified by the PERS actuary. This will avoid any large increases to the PERS unfunded liability.

Discussion: In the past several sessions of the Montana Legislature it has considered and passed benefit and funding legislation which were not made available to the PERS until they were introduced. This made it almost impossible to get projections from our consulting actuary and resulted in an increased unfunded liability of over \$12,000,000.

MAJOR RECOMMENDATIONS

SOCIAL SECURITY DIVISION

REQUIRED IMPLEMENTATION ACTION: LEGISLATIVE

PRIORITY RATING: 2

CATEGORY: Increasing Existing Services

Recommendation. An additional \$23,000 should be appropriated to hire an additional field auditor and to purchase two automobiles and two adding machines to comply with the requirement of the Department of Health, Education and Welfare for onsite examination of contracting political subdivisions.

Discussion. The Department of Health, Education and Welfare requires an onsite audit of local entities and political subdivisions to provide for the State and the Social Security Administration a system for measuring the quality of the performance of our contractual obligations under the Federal-State Agreement. Such an audit may be conducted jointly by State personnel and H. E. W. or Social Security Administration personnel, by the State Administrator's audit staff, a State audit staff, or by an independent audit under the auspices of the State. The State Administrator must provide such training as is deemed necessary for the conduct of the audit.

The Standards and Criteria established by the Social Security Administration require that there must be a system or systems of identifying, instructing, and training new reporting officials.

The audit of political subdivisions and local entities can best be accomplished by our own audit staff and that this staff can also instruct and train local reporting officials and provide necessary guidance and assistance. It is further contemplated that this audit staff can eventually be cross-trained to perform similar services in connection with the retirement programs of the Public Employees' Retirement System.

It is felt that a minimum of two (2) field auditors is required. The 1971 budget provides for 1 field auditor, and 1 field auditor has been requested in the budget submitted for the 1973 Biennium. Funds to purchase two automobiles and two adding machines for use by the audit staff have also been requested in the budget for the 1973 Biennium.

Services Provided.

In recognition of the responsibilities to its membership and the State of Montana, the Board of Administration of the Public Employees' Retirement System has maintained an annual accounting and reporting. A certified audit has been performed for each biennial period to include every year's operations of all systems and divisions since their origins. Due to the inability of the legislative auditor to provide a current audit of the systems, the Board of Administration has employed the service of a private CPA firm for the bienniums 1967-68 and 1969-70. (see pages 7, 8, 9, 10)

Through a sound investment program funds are accumulated for payment of current and future benefits. Information is disseminated to member agencies regarding reporting procedures and benefits available. Pre-retirement counseling is available to retiring members as well as income tax information as it pertains to each specific retiree.

Objectives.

Because of the increasing membership the system is moving towards computerized reporting and benefit payments. Programming was initiated in the spring of 1970 for computerized check writing and this function will be finalized by January, 1971. In April of 1971 programming will be started for automatic posting of individual member accounts making use of information already available in the central payroll system. Future plans call for an eventual automation of all member postings by January, 1974.

A study is underway by the consulting actuary for the purpose of developing a prospective post retirement increase payment to retired PERS members. A bill will be prepared and submitted to the 1971 legislature to implement the actuarial recommendation for increase.

The funding of the system is continually under review to allow for increased benefits and broader coverage whenever possible. The unfunded liability of the Public Employees' Retirement System is \$48,990,284 (see audit note 4) based on a funding date of 2050. All prospective increases in retirement benefits must be made in recognition of this unfunded liability. The consulting actuary makes an evaluation study of all the retirement systems every two years to assist the Board of Administration in reviewing benefits and coverage.

The investment program is designed to provide the system with the best possible return while giving due consideration to its economic impact on the Montana monetary market. Over \$4 million was invested in Montana real estate through the Farm Home Administration, Federal Housing Authority and the Veterans' Administration during the fiscal year ended June 30, 1970.

Target Groups.

Public Employees' Retirement System

<u>Membership</u>	<u>1970</u>
State	11,296
Counties	4,567
Cities	2,130

<u>Membership</u>	<u>1970</u>
School Districts	2,572
County High Schools	263
Other Agencies	149
Inactive Accounts	-
Total	<u>20,977</u>

Game Wardens' Retirement System

<u>Membership</u>	<u>1970</u>
	89

Judges' Retirement System

<u>Membership</u>	<u>1970</u>
	31

Achievements.

On July 1, 1969 the normal retirement age was lowered from age 65 to age 60. The members of the legislature, the lieutenant governor and the speaker of the house were allowed to annualize their salaries and contribute to the system on the same basis as all other members. The reserve funding for these benefits was obtained by an increase of $\frac{1}{2}\%$ in the employer contributions from $3\frac{1}{2}\%$ to 4% , a revision in the funding date from 1985 to 2050 and legislation to allow transfer of excessive income from the Social Security Division to the P. E. R. S. This transfer for 1969 was \$130,000 and a much larger transfer is anticipated in 1970.

Cost and Performance Summary.

Public Employees' Retirement System	Fiscal Year		
Cost:	<u>1967-68</u>	<u>1968-69</u>	<u>1969-70</u>
Administrative	\$ 104,583	\$ 129,868	\$ 142,379
Benefits	<u>4,899,457</u>	<u>5,276,344</u>	<u>5,913,757</u>
Total	\$5,004,040	\$5,406,212	\$6,056,136

Performance:

Refunds	3,664	3,839	4,201
Benefits Paid @ 6/30	<u>2,394</u>	<u>2,455</u>	<u>2,667</u>
	6,058	6,294	6,868

Game Wardens' Retirement System	Fiscal Year		
Cost:	<u>1967-68</u>	<u>1968-69</u>	<u>1969-70</u>
Refunds	966	4,528	--
Benefits	<u>20,303</u>	<u>21,842</u>	<u>24,998</u>
Total	\$ 21,269	\$ 26,370	\$ 24,998

Performance:

Benefits Paid @ 6/30	4	6	6
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Judges' Retirement System	Fiscal Year		
Cost:	<u>1967-68</u>	<u>1968-69</u>	<u>1969-70</u>
Administrative	90	2,402	3,591
Benefits	<u>25,697</u>	<u>34,384</u>	<u>53,271</u>
Total	\$ 25,787	\$ 36,786	\$ 56,862

Performance:

Benefits Paid @ 6/30	4	6	7
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ANALYSIS OF PROGRAMS

SOCIAL SECURITY DIVISION

Service Provided.

Instruction, education and guidance to reporting officials of covered entities to insure adequate recordkeeping, proper application of appropriate agreement provisions, and compliance with reporting requirements to insure timely receipt of correct and complete wage and contribution reports from covered entities.

Inclusion under the agreement of new coverage groups and termination of coverage for dissolved entities.

Objectives.

Seventy-eight adjustments correcting approximately 2,500 reporting errors were processed during the fiscal year. This figure does not include erroneous reporting of individuals names or account numbers and includes only those errors discovered by the reporting official, by mathematical audit of the reports when received by the Social Security Division or through errors discovered at the federal level when an individual files a claim or requests a statement of his earnings record.

With the introduction of an on-site audit of the reporting agencies it is anticipated that the reporting errors which will be discovered will increase tenfold or more for wage items already reported. However, the field staff will also provide education, instruction and guidance to the local reporting officials so that future reporting errors should be reduced to normal clerical errors.

Target Groups.

832 reporting entities covering approximately 42,000 public employees.

Achievements.

During the 1969-1970 fiscal year four referendums were conducted for agencies covered by the Public Employees' Retirement System or the Teachers' Retirement System. Twenty groups of employees voted in these referendums.

Nine modifications of the Federal-State Agreement were prepared during the fiscal year providing social security coverage for fifteen additional coverage groups.

Coverage for thirty-seven dissolved school districts was terminated during fiscal 1969-1970.

A comprehensive reporting manual was published and distributed to reporting officials of all covered agencies.

Cost and Performance Summary.

Because the on-site audit and education and information program is being instituted during this fiscal year, no performance estimates can be given at this time; therefore, only a cost summary is submitted.

	FISCAL YEARS		
<u>COST</u>	<u>1967-68</u>	<u>1968-69</u>	<u>1969-70</u>
Administration	\$ 37,011.00	44,822.00	46,662.00
Contribution Payments To Treasurer of U.S.	13,413,289.00	15,640,006.00	18,040,613.00
TOTAL	\$13,450,300.00	\$15,684,828.00	\$18,087,275.00

Anderson and ZurMuehlen

CERTIFIED PUBLIC ACCOUNTANTS

HELENA, MONTANA 59601

September 9, 1970

MONTANA CLUB BUILDING
TELEPHONE 342-3540
AREA CODE 406
P. O. BOX 636

Board of Administration
Public Employees Retirement System
State of Montana
Helena, Montana 59601

Gentlemen:

We have examined the statement of financial condition of the Public Employees' Retirement System as of June 30, 1970 and the related statement of cash receipts and disbursements for the fiscal year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Payments to each beneficiary at retirement and allocation of net interest income to the several reserve funds were determined by Milliman and Robertson, Inc., consulting actuaries. Our opinion is rendered in reliance thereon.

In our opinion, the accompanying statements present fairly the financial condition of the Public Employees Retirement System at June 30, 1970 and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles.

Sincerely,

ANDERSON AND ZURMUEHLEN

Anderson & ZurMuehlen

PUBLIC EMPLOYEES' RETIREMENT SYSTEM
State of Montana
STATEMENT OF FINANCIAL CONDITION
June 30, 1970

ASSETS

Cash:		
on Hand	\$ 20,457	
On Deposit - State Treasurer	<u>137,932</u>	\$ 158,389
Investments		
Bonds, Debentures and Trust Certificates - (Stated at Amortized Cost, (See Note 1 Regarding Current Market Value)	\$40,741,585	
Real Estate Mortgages - At Cost	<u>21,386,224</u>	62,127,809
Furniture, Fixtures and Equipment at Net Depreciated Cost - (Note 2)		<u>7,990</u>
		<u>\$62,294,188</u>

LIABILITIES

Reserve Funds:		
Annuity Savings Fund - Members' Contributions		\$29,717,850
Annuity Savings Interest Reserve - Members (Note 3)		10,020,491
Annuity Reserve Fund - Retired Members' Contributions		9,779,870
Pension Accumulation Fund - Employer Contributions - (Note 4)		<u>12,775,977</u>
		<u>\$62,294,188</u>

SEE NOTES TO FINANCIAL STATEMENTS

PUBLIC EMPLOYEES' RETIREMENT SYSTEM
State of Montana
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
Fiscal Year Ended June 30, 1970

Receipts:

Member Contributions	\$ 6,085,241	
Employer Contributions - (Note 4)	4,068,380	
Investment Income - (Note 3)	3,241,913	
Administrative Fees - (Note 5)	<u>332,352</u>	\$13,727,886

Disbursements:

Refunds of Member Contributions	\$ 2,183,943	
Benefits Paid	3,729,814	
Administrative Expenses - Schedule I - (Note 5)	<u>142,379</u>	<u>6,056,136</u>

Net Increase in Reserve Funds		\$ 7,671,750
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Reserve Fund Balances, July 1, 1969		<u>\$54,622,438</u>
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Reserve Fund Balances, June 30, 1970		<u><u>\$62,294,188</u></u>
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SEE NOTES TO FINANCIAL STATEMENTS

PUBLIC EMPLOYEES' RETIREMENT SYSTEM
State of Montana
NOTES TO FINANCIAL STATEMENTS
June 30, 1970

Note 1 - Investments:

A tabulation of total market value of bonds, notes, debentures and trust certificates in the amount of \$30,414,787 as of June 30, 1970, discloses the total amortized book cost to be in excess of total current market value for these securities by \$10,326,798. These market values vary widely with the changes in prevailing interest rates in the money market and this difference is attributable to the present extremely high interest rates. The System would ordinarily hold these securities to maturity, and, if so, they would be redeemed substantially at par value, resulting in no loss upon redemption.

Bond premiums and discounts are amortized to maturity date by adjusting the nominal interest rate to the increase or decrease in the book basis of the bonds each year computed at the yield basis upon which they were acquired.

Note 2 - Furniture, Fixtures and Equipment:

Although this is ordinarily not the practice followed by most state agencies, the System had consistently followed the practice until June 30, 1969 of capitalizing the purchase price of furniture and equipment, rather than charging the expenditures off directly as administrative expenses. Depreciation was then computed, based on estimated useful lives of the individual assets, and a charge was made to administrative expenses each year for the computed depreciation, with an offsetting reduction of the property cost.

Commencing with the year ended June 30, 1969, this policy was changed and the decision was made to write off the remaining capital cost of \$23,973 over a three year period, resulting in a charge to administration expense for each year in the amount of \$7,991. Capital equipment acquired after July 1, 1969 is now to be charged off directly as an administrative expense.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM
State of Montana
NOTES TO FINANCIAL STATEMENTS
June 30, 1970

Note 3 - Investment Income:

Net investment income has been allocated in this report to the various funds on the basis of computations made by Milliman and Robertson, Inc., consulting actuaries. Net investment income of \$3,241,042 (Income of \$3,241,913 less late audit adjustments of \$871) has been allocated as follows to the reserve funds:

Annuity Savings Interest Reserve	\$2,103,907
Annuity Reserve Fund	494,489
Pension Accumulation Fund	<u>642,646</u>
	<u>\$3,241,042</u>

Note 4 - Pension Accumulation Fund:

Represents contributions by various state agencies and other political sub-divisions plus accumulated interest thereon. The rate of contribution is set by law (Sec. 68-1307 R.C.M.) at 4% of total compensation paid to members of the System. As stated under this section of the law, "Contributions made to the retirement system under this section shall be applied by the board of administration to meet the states obligations under the system in such order and amount as said board shall determine; provided, however, that said contributions shall be first applied to the liability accruing because of state service rendered during such year and on account of pensions provided for in section 68-901, such amounts to be determined by actuarial valuation as computed by the actuary of the said board."

A full actuarial study of the System has not been completed for the year ended June 30, 1970 as of this writing. As of June 30, 1968, when the last prior study was completed by consulting actuaries, it was determined that the reserve requirements for full funding on an actuarial basis would require eventual additional contributions from employers in the amount of \$48,990,284. This amount is termed as the "unfunded liability", by the actuaries as of June 30, 1968.

Note 5 - Excess Administrative Fees:

The excess of administrative and membership fees paid in by employers and members over the administrative expenses incurred (amounting to \$189,973 for the fiscal year ended June 30, 1970) is credited to the Pension Accumulation Fund each year. This practice is consistent with prior years practice and is in concurrence with Section 68-701 and 68-1310, R.C.M., according to an opinion rendered by legal counsel for the System. In past years, this practice has been followed since it was felt that this excess would offset somewhat the shortage in regular contributions by employers which contributes to the "unfunded liability" discussed in Note 4 above.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM
State of Montana
SCHEDULE OF ADMINISTRATIVE EXPENSES
Fiscal Year Ended June 30, 1970

SCHEDULE I

Salaries	\$ 74,262
Actuarial Fees	15,386
Travel Expenses	4,978
Telephone and Telegraph	1,777
Printing	3,356
Postage	3,923
Supplies	2,827
Service Contracts	2,017
Organization Dues and Subscriptions	319
Medical and Investigational Expenses	423
Employee Benefits	7,476
Equipment Rentals	6,860
Depreciation - Furniture and Fixtures -(Note 2)	7,991
Rents and Royalties	6,641
Insurance	21
Utilities	1,124
Building Maintenance	1,159
Capital Expenditures - (Note 2)	249
Prorated Expenses	<u>1,590</u>
	<u>\$142,379</u>

SEE NOTES TO FINANCIAL STATEMENTS.

GEORGE D. ANDERSON
CARL ZURMUEHLEN
TODD N. LINDBERG
JOSEPH G. LOENDORF

Anderson and ZurMuehlen

CERTIFIED PUBLIC ACCOUNTANTS

HELENA, MONTANA 59601

September 14, 1970

MONTANA CLUB BUILDING
TELEPHONE 442 3540
AREA CODE 406
P O BOX 638

Board of Administration
Montana Judges' Retirement System
Helena, Montana 59601

Gentlemen:

We have examined the statement of financial condition of the Montana Judges' Retirement System as of June 30, 1970 and the related statement of cash receipts and disbursements for the fiscal year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Payments to beneficiaries and allocation of net interest income to the several reserve funds are determined by Milliman & Robertson, Inc., consulting actuaries. Our opinion is rendered in reliance thereon.

In our opinion, the accompanying statements present fairly the financial condition of the Montana Judges' Retirement System at June 30, 1970 and the results of its operations for the fiscal year then ended in conformity with generally accepted accounting principles.

Sincerely,

ANDERSON AND ZURMUEHLEN



MONTANA JUDGES' RETIREMENT SYSTEM

STATEMENT OF FINANCIAL CONDITION
June 30, 1970ASSETS

Cash on Deposit		\$ 26,170
Investments:		
Bonds and Notes, Schedule I (Stated at Amortized Cost, see Note 1 Regarding Market Value)	\$428,874	
Mortgages - At Cost	<u>85,959</u>	<u>514,833</u>
		<u>\$541,003</u>

LIABILITIES

Reserve Funds:		
Annuity Savings - Members' Contributions		\$179,218
Annuity Savings - Interest Reserve (Note 2)		43,899
Annuity Reserve Fund (Note 2)		69,682
Pension Accumulation Fund (Note 2)		<u>248,204</u>
		<u>\$541,003</u>

SEE NOTES TO FINANCIAL STATEMENTS.

MONTANA JUDGES' RETIREMENT SYSTEM

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
Fiscal Year Ended June 30, 1970

Receipts:

Member Contributions	\$ 41,428
Employer Contributions	117,193
Investment Income (Note 2)	<u>32,667</u>
	\$191,288

Disbursements:

Refund of Member Contributions	\$ 1,495	
Benefits Paid	51,271	
Operating Expenses	<u>3,591</u>	<u>58,357</u>

Net Increase in Reserve Funds	\$132,931
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Reserve Fund Balances, July 1, 1969	<u>408,072</u>
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Reserve Fund Balance June 30, 1970	<u><u>\$541,003</u></u>
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SEE NOTES TO FINANCIAL STATEMENTS.

NOTES TO FINANCIAL STATEMENTS
June 30, 1970

Note 1 - Investments:

A tabulation of market value of bonds and notes as of June 30, 1970 discloses a total market value of \$333,321 which is \$95,553 less than book value. The market values vary with the changes in prevailing interest rates in the money market and this difference is attributable to the present extremely high interest rates. The System ordinarily would hold bonds and notes to maturity, and if so, they would be redeemed substantially at par, resulting in no appreciable loss on disposition.

Bond premiums and discounts are amortized to maturity date by adjusting the nominal interest rate to the increase or decrease in the book basis of the bonds each year computed at the yield basis upon which they were acquired.

Note - Investment Income:

Net income from investments in the amount of \$32,667 has been allocated in this report to the various funds on the basis of computations made by Milliman and Robertson, Inc., consulting actuaries. The income has been allocated as follows:

Annuity Savings Interest Reserve	\$13,790
Annuity Reserve Fund	4,556
Pension Accumulation Fund	<u>14,321</u>
	<u>\$32,667</u>

MONTANA JUDGES' RETIREMENT SYSTEM
SCHEDULE OF INVESTMENTS
June 30, 1970

SCHEDULE I

<u>PUBLIC UTILITY BONDS:</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Par Value</u>	<u>Book Value</u>
American Tel. & Tel.	8 3/4%	5-15-10	\$ 25,000	\$ 24,406
Chesapeake & Potomac Tel	6 5/8	10-01-08	30,000	30,103
Connecticut Light & Power	6 1/2	1-01-98	35,000	35,000
Duquesne Light and Power	7	1-01-99	35,000	34,829
Mountain States Telephone	6	8-01-07	100,000	100,000
Mountain States Telephone	6	8-01-07	90,000	90,666
Northwestern Bell	7	1-01-09	15,000	15,000
Ohio Bell Tel.	6 3/4	7-01-08	38,000	38,188
Pacific Northwest Bell	6 3/4	12-01-07	<u>35,000</u>	<u>35,816</u>
			\$403,000	\$404,008
 Farm Home Administration Note			<u>24,866</u>	<u>24,866</u>
			<u>\$427,866</u>	<u>\$428,874</u>

SEE NOTES TO FINANCIAL STATEMENTS

GEORGE D. ANDERSON
CARL ZURMUEHLEN
TODD M. LINDBERG
JOSEPH G. LOENDORF

Anderson and ZurMuehlen

CERTIFIED PUBLIC ACCOUNTANTS

HELENA, MONTANA 59601

September 10, 1970

MONTANA CLUB BUILDING
TELEPHONE 442-3540
AREA CODE 406
P. O. BOX 638

Board of Administration
Montana Game Wardens' Retirement System
Helena, Montana 59601

Gentlemen:

We have examined the statement of financial condition of the Montana Game Wardens' Retirement System as of June 30, 1970 and the related statement of cash receipts and disbursements for the fiscal year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Payments to beneficiaries and allocation of net interest income to the several reserve funds are determined by Milliman and Robertson, Inc., consulting actuaries. Our opinion is rendered in reliance thereon.

In our opinion, the accompanying statements present fairly the financial condition of the Montana Game Warden's Retirement System at June 30, 1970 and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles.

Sincerely,

ANDERSON AND ZURMUEHLEN



MONTANA GAME WARDENS' RETIREMENT SYSTEM

STATEMENT OF FINANCIAL CONDITION
June 30, 1970ASSETS

Cash on Deposit		\$ 13,806
Investments - Schedule I:		
Bonds, Debentures and Trust Certificates (Stated at Amortized Cost, See Note 1 Regarding Market Value)	\$650,425	
Real Estate Mortgages - At Cost	<u>69,234</u>	<u>719,659</u>
		<u>\$733,465</u>

LIABILITIES

Reserve Funds:		
Annuity Savings - Members' Contributions		\$375,076
Annuity Savings Interest Reserve - (Note 2)		214,735
Annuity Reserve Fund - Retired Members - (Note 2)		36,819
Pension Accumulation Fund - Employer Contributions		<u>106,835</u>
		<u>\$733,465</u>

SEE NOTES TO FINANCIAL STATEMENTS

MONTANA GAME WARDENS' RETIREMENT SYSTEM

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
Fiscal Year Ended June 30, 1970

Receipts:

Member Contributions	\$ 47,973
Employer Contributions	47,506
Investment Income (Note 2)	<u>37,056</u>

\$132,535

Disbursements:

Benefits Paid	<u>24,998</u>
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Net Increase in Reserve Funds	\$107,537
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Reserve Fund Balances, July 1, 1969	<u>625,928</u>
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Reserve Fund Balances, June 30, 1970	<u><u>\$733,465</u></u>
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SEE NOTES TO FINANCIAL STATEMENTS

MONTANA GAME WARDEN'S RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS

June 30, 1970

SCHEDULE I

	<u>Rate</u>	<u>Maturity</u>	<u>Par Value</u>	<u>Amortized Book Cost</u>
U. S. Government Bonds	4.250%	1985	\$ <u>40,000</u>	\$ <u>40,140</u>
Federal National Mortgage Association Participating Certificates	5.200%	1982	\$ <u>25,000</u>	\$ <u>25,000</u>
Railway Equipment Trust Certificates: Great Northern Railroad	5.250%	1982	\$ <u>25,000</u>	\$ <u>24,953</u>
Public Utility Bonds:				
American Telephone and Telegraph	4.375%	1999	\$150,000	\$150,597
Cleveland Electric	3.000	1970	28,000	28,000
General Telephone Co. of California	4.500	1995	20,000	20,000
Kansas City Power and Light	5.750	1997	25,000	25,089
Montana Power Company	2.875	1975	10,000	8,741
Mountain States Telephone	5.000	2000	50,000	51,955
Mountain States Telephone	6.000	2007	25,000	25,185
Pacific Northwest Bell	6.750	2007	25,000	25,343
Public Service of Colorado	5.375	1996	25,000	25,000
Southern Bell Telephone	4.375	2003	25,000	24,943
American Telephone and Telegraph	8.750	2000	20,000	19,525
Chesapeake and Potomac Telegraph	6.625	2008	20,000	20,068
Duquesne Light Company	7.000	1999	20,000	19,902
Ohio Bell	6.750	2000	45,000	45,223
South Western Bell Telephone	6.750	2008	15,000	15,611
South Western Bell Telephone	8.250	2005	<u>20,000</u>	<u>20,498</u>
			\$ <u>523,000</u>	\$ <u>525,680</u>
Farmers Home Administration Notes			\$ <u>35,000</u>	\$ <u>34,652</u>
Total Securities			\$ <u><u>648,000</u></u>	\$ <u><u>650,425</u></u>

SEE NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
June 30, 1970

Note 1 - Investments:

A tabulation of market value of bonds, debentures and trust certificates as of June 30, 1970 discloses a total market value of \$474,119 which is \$176,307 less than the amortized book value. The market values vary with the changes in prevailing interest rates in the money market and this difference is attributable to the present extremely high interest rates. The System ordinarily would hold bonds to maturity, and if so, they would be redeemed substantially at par, resulting in no appreciable loss on disposition.

Bond premiums and discounts are amortized to maturity date by adjusting the nominal interest rate to the increase or decrease in the book basis of the bonds each year computed at the yield basis upon which they were acquired.

Note 2 - Investment Income:

Net income from investments in the amount of \$37,056 has been allocated in this report to the various funds on the basis of computations made by Milliman and Robertson, Inc., consulting actuaries. The income has been allocated as follows:

Annuity Savings Interest Reserve	\$24,485
Annuity Reserve Fund	1,838
Pension Accumulation Fund	<u>10,733</u>
	<u>\$37,056</u>

GEORGE D. ANDERSON
CARL ZURMUEHLEN
TODD M. LINDBERG

JOSEPH G. LOENDORF

Anderson and ZurMuehlen

CERTIFIED PUBLIC ACCOUNTANTS

HELENA, MONTANA 59601

September 10, 1970

MONTANA CLUB BUILDING
TELEPHONE 442 3540
AREA CODE 406
P O BOX 636

Board of Administration
Social Security Division
Public Employees' Retirement System
State of Montana
Helena, Montana 59601

Gentlemen:

We have examined the statement of financial condition of the Social Security Division - Public Employees' Retirement System as of June 30, 1970 and the related statement of cash income and expenses for the fiscal year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying statements present fairly the financial condition of the Social Security Division - Public Employees' Retirement System at June 30, 1970 and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles.

Sincerely,

ANDERSON AND ZURMUEHLEN

Anderson and ZurMuehlen

SOCIAL SECURITY DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
State of Montana
STATEMENT OF FINANCIAL CONDITION
June 30, 1970

ASSETS

Cash on Hand	\$ 39,175
Cash on Deposit - (Credit Balance)	(220,149)
Investment in Short-Term Securities - at Cost (Note 1)	<u>4,670,005</u>
	<u>\$4,489,031</u>

LIABILITIES AND EQUITY

Agency Deposits Payable (Note 2)	\$3,282,842
Payroll Contributions Payable to Treasurer of the U.S. (Note 2)	772,944
Surplus Reserves (Note 3)	<u>433,245</u>
	<u>\$4,489,031</u>

SEE NOTES TO FINANCIAL STATEMENTS.

SOCIAL SECURITY DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
State of Montana
STATEMENT OF CASH INCOME AND EXPENSES
Fiscal Year Ended June 30, 1970

Income:		
Interest Income - Net		\$246,782
Administrative Expenses:		
Salaries	\$ 27,399	
Employee Benefits	2,565	
Office Supplies	503	
Printing	1,017	
Communications	800	
Utilities	382	
Travel	1,599	
Equipment Rental	4,707	
Office Rent	2,250	
Legal Fees	4,525	
Repairs and Maintenance	516	
Capital Expenditures	<u>398</u>	<u>46,601</u>
Excess of Receipts over Disbursements		\$200,121
Surplus Reserves, July 1, 1969 (Note 3)		361,338
Transfer to Public Employees' Retirement System (Note 3)		(130,000)
Miscellaneous Adjustments to Prior Year Contributions		
Liability - Net		<u>1,786</u>
Surplus Reserves, June 30, 1970 (Note 3)		<u>\$433,245</u>

SEE NOTES TO FINANCIAL STATEMENTS

SOCIAL SECURITY DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
State of Montana
NOTES TO FINANCIAL STATEMENTS
June 30, 1970

Note 1 - Investments:

	<u>Due</u> Date	<u>Discount</u> Rate	Cost	<u>Par</u> Value
American Electric Power	8-14-70	8 1/8%	\$195,260	\$200,000
American Electric Power	8-14-70	8 1/8	195,486	200,000
General Telephone of Florida	8-14-70	8	244,722	250,000
General Telephone of Florida	8-14-70	8	195,822	200,000
General Telephone of Florida	8-14-70	8	538,878	550,000
General Telephone of Florida	8-14-70	8	392,267	400,000
Mountain States Tel & Tel	8-14-70	7 7/8	342,956	350,000
Mountain States Tel & Tel	8-14-70	7 3/4	393,197	400,000
Mountain States Tel & Tel	8-14-70	8 1/8	395,938	400,000
American Electric Power	8-14-70	8	246,278	250,000
Northeast Utilities	8-14-70	8 1/8	443,297	450,000
Northeast Utilities	8-14-70	8 1/4	197,113	200,000
Northeast Utilities	8-14-70	8 1/4	247,193	250,000
Ohio Power	8-14-70	8 1/4	345,187	350,000
General Tel of the Southwest	8-14-70	8 1/8	<u>296,411</u>	<u>300,000</u>
Total Investments			<u>\$4,670,005</u>	<u>\$4,750,000</u>

Note 2 - Agency Deposits:

Total of \$3,282,842 represents monthly remittances for payroll contributions received from contributing agencies, however, the quarterly reports of payroll have not been received from the agencies and therefore the actual contribution liability to the Treasurer of the United States has not yet been determined. The total \$772,944 shown as payroll contribution payable represents agencies which have submitted their quarterly payroll reports and therefore the contributions payable to the United States are determinable.

Note 3 - Surplus Reserves:

Represents accumulated surplus of administrative fees and interest earned over administrative expenses. Section 59-1105 (a) Revised Codes of Montana, states in part, "all interest and income earned in excess of that -- needed for purposes set forth in subdivision (b) (relating to contributions payable to the United States and refunds) shall be credited to the earmarked revenue fund of the state agency (PERS) to be used to defray the cost of administering the state agency or for distribution pro rata to the contributing agencies". During the year ended June 30, 1970, \$130,000 was transferred to the state agency (PERS) under the above provisions.

STATE DEPARTMENTS
AND CONTRACTING POLITICAL SUBDIVISIONS
OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Membership as of June 30, 1979

STATE DEPARTMENTS.

Adjusted Compensation Division	9	Legislature	27
Adjutant General	26	Library Commission	20
Administration, Department of	119	Liquor Control Board	559
Aeronautics Commission	21	Livestock Commission	61
Agriculture Department	199	Livestock Sanitary Board	62
Apprenticeship Council	1	Medical Examiners	1
Arts Council	1	Merit System	1
Attorney General	17	Milk Control Board	7
State Auditor	31	College of Mineral Science & Technology	96
Bank Examiners	32	Northern Montana College	66
Barber Examiner	0	Board of Nursing	4
Children's Center	96	Nursing Home Administration	2
Civil Defense	15	Oil and Gas Conservation Comm.	29
Commission on Aging	5	Board of Pardons	17
Cosmetology, Board of	3	Pharmacy, Board of	2
Crime Control Commission	8	Pine Hills School	121
Custodian	9	Planning & Economic Development	23
Deaf and Blind School	22	Plumbing Examiners	1
Director of the Budget	0	Prison	252
District Judges	5	P. E. R. S.	16
Eastern Montana College	200	Public Institutions, Dept. of	25
Eastmont Training Center	20	Public Instruction	116
Economic Opportunity	4	Public Welfare	627
Electrical Safety Board	21	Railroad & Public Service Comm.	25
Emergency Planning	0	Registrar of Motor Vehicles	42
Engineers & Land Surveyors	1	Secretary of State	16
Entomologist	2	Soil Conservation	2
Equalization, Board of	137	State-Federal Coordinator	3
Examiners, State Board of	9	Veterans' Home	30
Executive Secretary, University	8	Supreme Court	11
Fish and Game Department	252	Teachers' Retirement System	7
Forestry Department	155	Trade Commission	2
Governor's Office	19	Boulder River School & Hospital	663
Grass Conservation Board	2	Treasurer's Office	7
Hail Insurance	13	Galen State Hospital	273
Board of Health	176	U. C. C.	352
Highway	3,105	University of Montana	764
Highway Patrol	113	University, Montana State	1,942
Highway Safety Director	2	Veterans' Welfare Commission	22
Historical Society	34	Vocational Rehabilitation	55
Home for the Aged	32	Mountain View School	56
Horse Racing Commission	9	Water Resources Board	84
Warm Springs State Hospital	854	Water and Waste Water Operators Certification	1
Indian Affairs	2	Western Montana College	34
Industrial Accident Board	77	Real Estate Commission	3
Labor and Industry	6	Swan River Youth Program	22
Land and Investments	26		
Law Library	2		
Legislative Auditor	14		
Legislative Council	7		
		STATE DEPARTMENT	
		TOTAL	11,296

MEMBERSHIP STATUS

COUNTIES:

County Attorneys	33	Mineral County	40
Beaverhead County	44	McCone County	27
Big Horn County	54	Meagher County	21
Blaine County	59	Missoula County	229
Broadwater County	30	Musselshell County	24
Carbon County	55	Park County	61
Carter County	19	Petroleum County	13
Cascade County	468	Phillips County	40
Chouteau County	63	Pondera County	67
Custer County	65	Powder River County	58
Daniels County	35	Powell County	41
Dawson County	49	Prairie County	29
Deer Lodge County	39	Ravalli County	90
Fallon County	34	Richland County	63
Fergus County	60	Roosevelt County	61
Flathead County	233	Rosebud County	51
Gallatin County	119	Sanders County	172
Garfield County	24	Sheridan County	50
Glacier County	50	Silver Bow County	429
Golden Valley County	16	Stillwater County	39
Granite County	57	Sweet Grass County	38
Hill County	81	Teton County	94
Jefferson County	35	Toole County	159
Judith Basin County	42	Treasure County	15
Lake County	73	Valley County	62
Lewis and Clark County	213	Wheatland County	25
Liberty County	66	Wibaux County	31
Lincoln County	76	Yellowstone County	293
Madison County	53	COUNTIES TOTAL	<u>4,567</u>

CITIES:

Anaconda	15	Havre	81
Belt	5	Helena	198
Big Sandy	1	Hot Springs	2
Big Timber	2	Kalispell	62
Billings	385	Laurel	36
Bozeman	96	Lewistown	29
Butte	160	Libby	18
Cascade	12	Lima	1
Chinook	15	Livingston	40
Choteau	17	Malta	18
Circle	6	Miles City	40
Columbia Falls	19	Missoula	136
Conrad	16	Philipsburg	13
Culbertson	4	Plains	5
Cut Bank	13	Plentywood	10
Deer Lodge	15	Polson	10
Dillon	13	Poplar	9
Dutton	2	Ronan	6
East Helena	7	Roundup	18
Fairfield	5	Ryegate	2
Fairview	4	Shelby	19
Forsyth	12	Sheridan	2
Fort Benton	14	Sidney	35
Glasgow	33	Stanford	5
Glendive	32	Townsend	6
Great Falls	349	Walkerville	2
Hamilton	14	Whitefish	20
Hardin	28	Winnett	1
		Wolf Point	12
		CITIES TOTAL	<u>2,130</u>

MEMBERSHIP STATUS

COUNTY HIGH SCHOOLS:

Beaverhead County High	15
Broadwater County High	4
Carter County High	4
Custer County High	13
Dawson County High	18
Fergus County High	8
Flathead County High	72
Garfield County High	13
Jefferson County High	5
Missoula County High	96
Powell County High	7
Sweet Grass County High	<u>8</u>

COUNTY HIGH SCHOOLS TOTAL . . 263

OTHER AGENCIES:

Anaconda Housing Authority	5
Bitterroot Irrigation District	14
Butte Housing Authority	7
Butte-Silver Bow County Anti-Poverty Council	20
Fort Shaw Irrigation District	4
Glasgow Housing Authority	1
Great Falls Housing Authority	8
Greenfield Irrigation District	23
Helena Housing Authority	5
Hill County Cemetery	2
Livingston Water Department	6
Malta-Dodson Irrigation	12
Richland County Housing Authority	3
Dawson County College	4
Eastern Montana Mental Health No. 5	14
Flathead Community College	9
Health District No. 1, Hardin	1
Pondera County Canal and Reservoir Co.	11
OTHER AGENCIES TOTAL	<u>149</u>

SCHOOL DISTRICTS:

No. 1 Big Timber	4	No. 5 Kalispell	41
No. 1 Butte	154	No. 5 Park City	9
No. 1 Choteau	11	No. 5 Sand Coulee	5
No. 1 Clancy	4	No. 5 Sheridan	6
No. 1 Circle	8	No. 5 Sidney	25
No. 1 Corvallis	14	No. 5 Terry	18
No. 1 Deer Lodge	13	No. 6 Columbia Falls	4
No. 1 Glendive	25	No. 6 Ryegate	4
No. 1 Great Falls	461	No. 7 Bozeman	63
No. 1 Havre	1	No. 7 Hinsdale	12
No. 1 Helena	102	No. 7 Laurel	44
No. 1 Jordan	7	No. 7 Townsend	4
No. 1 Lewistown	33	No. 7 Victor	9
No. 1 Miles City	9	No. 8 Babb	5
No. 1 Missoula	87	No. 9 Browning	71
No. 1 Plains	10	No. 9 Darby	7
No. 1 Red Lodge	17	No. 9 Dixon	4
No. 1 Scobey	22	No. 9 Musselshell	5
No. 1 Virginia City	2	No. 9 Opheim	13
No. 2 Alberton	9	No. 10 Anaconda	46
No. 2 Billings	206	No. 10 Chinook	16
No. 2 Bridger	11	No. 10 Conrad	20
No. 2 Dodson	4	No. 10 Dillon	30
No. 2 Helena	1	No. 10 Noxon	13
No. 2 Sunburst	13	No. 12 Klein	2
No. 2 Thompson Falls	9	No. 12 Rosebud	13
No. 3 Cascade	15	No. 12 Saco	13
No. 3 Hamilton	26	No. 12 Stanford	15
No. 3 Superior	5	No. 16 & 13 Box Elder	13
No. 4 Forsyth	19	No. 13 Fairview	17
No. 4 Livingston	36	No. 13 Nashua	10
No. 4 & 47 Whitehall	8	No. 14 Chinook	1
No. 5 Basin	5	No. 14 Malta	15

MEMBERSHIP STATUS

No. 15 Custer	6	No. 33 Oilmont	6
No. 15 Cut Bank	38	No. 38 Bigfork	12
No. 15 Ekalaka	6	No. 39 Simms	14
No. 16 Havre	122	No. 41 Lavina	6
No. 17 Culbertson	8	No. 44 Belgrade	20
No. 17 Hardin	37	No. 44 Moore	7
No. 18 Valier	6	No. 44 Whitefish	17
No. 19 Brady	4	No. 45 Augusta	6
No. 20 Plentywood	22	No. 45 Wolf Point	44
No. 20 Shawmut	1	No. 50 East Glacier	6
No. 21 Broadview	5	No. 50 Hays	14
No. 21 Fort Peck	1	No. 52 Absarokee	6
No. 23 Missoula	5	No. 52 Ennis	12
No. 23 Polson	28	No. 53 Wilsall	5
No. 23 Roberts	7	No. 55 Brockton	20
No. 24 Three Forks	6	No. 55 Roundup	12
No. 25 Hobson	15	No. 58 Geyser	13
No. 28 St. Ignatius	34	No. 64 Melstone	4
No. 29 Belt	7	No. 75 Greenfield	8
No. 29 Somers	3	No. 159 Winnett	<u>7</u>
No. 30 Power	14		
No. 30 Ronan	34		
		SCHOOL DISTRICTS TOTAL	2,572

MEMBERSHIP

Fiscal Year	1945-46	1949-50	1954-55
State Departments	1,677	3,731	5,654
Counties	----	1,460	2,625
Cities	----	712	1,206
School Districts	----	328	775
County High Schools	----	28	82
Other Agencies	----	99	160
Inactive Accounts	----	536	314
TOTAL	<u>1,677</u>	<u>6,894</u>	<u>10,816</u>

Fiscal Year	1959-60	1964-65	1965-66	1966-67	1967-68	1969-70
State Departments	8,332	8,771	8,993	9,527	10,261	11,296
Counties	3,915	3,899	3,984	4,096	4,563	4,563
Cities	1,794	1,712	1,763	1,816	1,934	2,130
School Districts	1,320	1,558	1,775	1,907	2,198	2,572
County High Schools	112	132	131	159	180	263
Other Agencies	202	188	184	204	93	149
Inactive Accounts	----	----	----	----	----	----
TOTAL	<u>15,675</u>	<u>16,260</u>	<u>16,830</u>	<u>17,709</u>	<u>19,229</u>	<u>20,977</u>

